Preserve P

G. R. S. IX-5]

Previous references.

Land Rev File 380, 1&2
B Mar 13

1916.
G. 7)

File No. 125-16

Serial Nos. 3, 6, 9 & 10

Later references.

G. F. 117-17 & 1, B. Jan 18.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 3, 6, 9 & 10

Part B for July 1917

SUBJECT.

New System of payment by cheques.

---

3 From the Rev Commr in Mysore
No: C 3363 Dated 18.4.17
Brings to notice the inconvenience resulting from the new System of payment of bills by pre audit-cheques

10 To The Rev: Commr. No: H 458 B 28/7/17
Encloses for information extracts from Mr Datta's notes & States that Govt have decided to adopt the said arrangement after careful consideration and that no changes are called for at present

To Comptroller No: H 459 B 29/7/17
Forwards Copy.

~~W 188—GVB—50,000—2-1-18.~~

hvenkatramaneguinherga
27/8/1917

GENERAL AND REVENUE SECRETARIAT.

( )

NOTES.

File No.

FILE HEADING.

Bangalore Dte Treasury
(Keeping it open for receiving challans till
4 pm. on the 1st & 2nd days of every month instead
of till 3 P.M.)

From

The Revenue Commr

No. C 3363 Dated 18.4.17 Received 20.4.17

Diary No. 6202	Enclos. one Spare Copies. nil.	Serial No.

BRIEF ABSTRACT OF LETTER.

Submits for orders, with his own remarks, the
proposal of the Bangalore Dte
Treasury for receiving challans till (instead of 3 P.M
as now) on the first 4 or 5 days of every month

NOTES AND ORDERS.

L. R. file 380 of 12 Sls 1 and 2 containing the G.O.
R. 5139-40 dated 20. 3. 1913 sanctioning 3 P.M.
as the latest hour upto which challans & vouchers
may be received at the Bangalore Dte Treasury
is put up. The usual limit for all Treasuries
is 4 P.M. for such transactions and the time
limit was restricted to 3 P.M. for the
Bangalore Dte

NOTES—First Sheet.

WD 1233—GPB—60,008—1-12-16—S.

G. R. S. III-2]

General and Revenue Secretariat. | File No. of 191

Serial No.

Dt Treasury as a Special case, on the ground that owing to the heaviness of work in the said Treasury consequent on the transfer of a great portion of the State Hazur Treasury work to it the restriction of time was necessary to enable correct preparation of the closing daily account promptly. At the instance of the Registrar, Chief Court suggesting the Comptroller recommends the keeping open of the said Treasury for encashment of pre audit cheques till 4 O'clk (instead of 3 O'clk as at present). The Revenue Comr however, in forwarding the Comptroller's suggestion for the orders of Govt observes that it is very necessary to close business early so as to allow sufft time to tally the accounts and close the books, and that therefore the remedy for the delay complained of would lie in eliminating the factors leading to delay in the Comptroller's office mainly as appears to him due to the cheque system recently introduced. He adds that the old system was simpler and more economical and that the matter is for consideration of Govt.

Subd for orders

NOTE—Contn. sheet.

5-5-17

4-5-17

WD 1233—GPB—60,000—1-12-16—S.

G. R. S. III-2j

6202

General and Revenue Secretariat.

87 File No. 175 of 1916

Serial No.

The order about the Pre-audit Cheque System was issued from the Financial Branch. So I think that Branch should note on this ref & submit to Rev Secy.

R.C. says he has sent copy to that Dept. Mov. 5/5/17

Subd for perusal. This will, if agrd, be transferred to the FE Branch for bringing to disposal.

7.5.17.

(2nd member)

175 8-5-17

Mov 7.5.17

Yes. The draft rules may be obtained in the representation. I understand there is considerable delay in many Depts in getting them

(Br II.)

8/5

Mov 8/5

The Revenue Comr's recommendation made separately to the finance dept is under consideration. Vide S7/105/16 subd to the Asst Secretary on 7/5 and still pending 7/5 Mov

NOTE—Contn. sheet.

P.T.O.

W. D. 791—GPB—2,000—2-10-15

4

D. 2658

REPLY.

(To be written on this margin.)

Office of the Dewan of Mysore.

NOTE.

Dated 28th April *1917*.

Demi-official letter dated 20th April 1917 from the Revenue Commissioner in Mysore bringing to notce the inconveniences resulted ~~from~~ me from the new system of payment by cheques.

.....

2) Forwarded to the Financial Secretary.

I shall be glad to have a note on the points raised. Mr. Datta may also be consulted.

A final reply should be sent to the Revenue Commissioner.

28.4.17

The Secretary,
Financial Department.

3) MS Fin

(1) Please have a copy made of the Rev. Comm's note and send to Mr Datta & Comptroller for remarks

(2) The matter may then be considered in the F.D. orders obtained.

1/5 (4) 18 2/5

5) Typed Copies of the Rev Comm's letter are placed in the file. Submitted with a draft forwarding them to the Comptr & Mr Datta.

6) Please put up the copy read for reference in Mr Clow —

24425

OFFICE OF THE REVENUE COMMISSIONER
IN MYSORE.

Bangalore, 20th April 1917

My dear Sir

I am enclosing a copy of my letter of to the Financial & Revenue Secretaries upon the new system of payment by Cheques. Hereafter it seems that Land Improvement & Takavi loans are also to be paid by Cheques. My letter shows some of the inconveniences created without Compensating advantages. I do not pretend to be a financial expert & my opinions are stated subject to Correction.

Yours sincerely

K Doraiswamy Iyer

Esq. M. Visvesvaraya KCIE

Copy of letter C.No.3363 dated 19th April 1917 from the Revenue Commissioner in Mysore to the Secretaries to the Government of H.H. the Maharaja of Mysore, Financial and Revenue Departments.

Referring to Government Order No.Fl.2760-1/Gf.125-16-2 dated 6th December 1916 sanctioning a system of pre-audit cheques in the case of Head Quarter establishments and to Government Order No.4633-5 dated 19th February 1917 extending it to all payments in Bangalore, I have the honor to forward herewith letter No.3064/T.A.C.1792 dated 21st March 1917 from the Comptroller suggesting that the Bangalore District Treasury might be kept open till 4 P.M. on the first four or five days of each month, for encashment of pre-audit cheques. The Comptroller's communication is based on a complaint from the Judicial Department. The officials experience some delay in getting their pay & salaries. What applies to the Judicial Department applies also to other Departments.

2. The necessity for closing the Bangalore District Treasury at 3 P.M. daily for receiving challans and vouchers from the public was explained in my letter No.6980 dated the 20th February 1913 and the present practice was sanctioned in Government Order No.R.5139-40/L.R. 380-12-2 dated the 20th March 1913. The number of transactions has increased now that the Bangalore Taluk Treasury has been abolished and all payments that used to be made there are being made in the District Treasury now. The transactions are heaviest during the first few days of a month and it takes longer on those days to close the books. It is therefore very necessary to close business early in order to have sufficient time to tally the accounts and close the books. We cannot allow the books to be closed the next day. It is a matter in which no laxity can be permitted.

3. The proper remedy would therefore lie in eliminating the factors leading to delay in the Comptroller's office. The chief of them would appear to be the increase of work in the Comptroller's office in writing up cheques and the new registers. Before the present order the audit enfacement on the bills had served our purpose equally well. The bills contained the necessary deductions under various heads and

these presumably were checked and duly noted before the bills were enfaced and returned. This work still remains to the Comptroller's office and is in no way saved by the new system of issuing cheques. There used to be some unnecessary work in the Treasury in noting down the deductions that had already been noted down by the Comptroller. This work has now been saved for the Treasury. It could have been stopped also when the Treasury was making payments on the bills duly enfaced by the Comptroller. In regard to making payments it is immaterial to the Treasury whether it is the Comptroller's cheque or audit stamp.

4. The old procedure was thus in no way more laborious than the present but in fact was simpler and more economical. When the audit enfacement on salary bills is sufficient for the Banks transacting Treasury Business in British India it would be difficult to concede that it is not sufficient to a Government's own Treasuries. In British India there is a distinction in respect of payments of sums below and above Rs100/-. The conditions that obtain there and make the distinction necessary do not obtain here for the officer here corresponding to their Accountant General is <u>not</u> a disbursing officer.

5. In addition to the inconvenience experienced by all ranks of officials in getting their salaries on the due date there is a further inconvenience created. When any part of the claim is disallowed the official would not know the nature of the disallowance and would have to enter into correspondence with the Comptroller while under the old system the audited bill would have furnished information.

In the matter of the Travelling Allowance bills especially there was some correspondence before but the cheque system will multiply it considerably. To begin with the Comptroller's note of an objection or disallowance would have to be a long one when formerly it used to be comprised in half a dozen words at the most recorded against the particular item in the bill.

6. The new system also involves more wear and tear for the menial service and inconvenience to the office from being short-handed.

7. There is no safety sacrificed in the pre-audited bill being handed back to the claimant. The claimant is a public servant and

the bill can be cashed only by a Government Treasury and the amount of claim and the deductions if any would all be regularly noted in the Comptroller's Registers. There is thus no scope for mischief or foul play. The audited bill may be mislaid but the same mishap can happen to the cheque also.

8. For these reasons I beg leave to submit the matter for the consideration of Government.

x x x x

4877.

Bangalore
28.4.17

My dear Sir,

I am in receipt of your demi-official letter dated 20th April regarding the inconveniences created in the system of payment by cheques. The matter will be examined again in consultation with the Financial Secretary and Mr. Datta.

Yours sincerely,

28.4.17

Dewan.

K.S. Doraswami Iyer, Esq.,
Revenue Commissioner in Mysore
Bangalore.

General and Revenue Secretariat.

File No. 128 of 1916.

Serial No.

1) The Revenue Comr's letter with its enclosure is kept with reference to para 2 of Sup... may the draft approved issue.
8/5/17

2 Yes. Issue.

3 Please let me know if any order were issued by Govt sanctioning the arrangement of payment of bills of less than 100 Rs in cash instead of by cheques.

I presume it is 18 15.5.17
based on Govt. of
19.2.17. Flag. F. in which Govt. have
approved generally of the proposals of
Mr Datta - Please remind (after the
other file is received from 18
Mr Datta or the compln report) 18.
15/5/17

To the Comptroller
no. 7748 & 18.5.17
Forwards copy of Revenue's letter
for favor of remarks and Suggestions

The Comptroller's reply is not yet received.
In the linked file Mr Datta's remarks have
been received & drafts put up as ordered by
the H Secy.
15/6

The compln has made a report in
the matter this action is
approved. Many put up reply
18
22/6/17

NOTE—Contn. sheet.

D. 2658
D. 2729

WD 1233—GPB—60,000—1-12-16—S.

G. R. S. III-2

General and Revenue Secretariat.

File No. of 191 .

Serial No.

No. 2678/16.

Forwarded with the Compliments of the Special opinion, Mr. Datta, as per orders of Dewan and 2nd Member for favour of his views and suggestions.

Sd/-

Sd/- Ramnath Iyengar

15.5.1917.

For H. Secy

NOTE—Contn. sheet.

13 The first question is the necessity fo keeping the Bangalore District Treasury oper till 4 P.M. on the first few days of the month. About this matter I have spoken to the Treasury Officer, Bangalore and he says that there will be no inconvenience in complying with the Comptroller's request.

No. 126 1-file.

14 The Revenue Commissioner says that the number of transactions at the District Treasury has increased now that the Bangalore Taluk Treasury has been abolished and all payments that used to be made there are being made in the District Treasury now. It is therefore very necessary to close business early in order to have sufficient time to tally the accounts and close the books. The Treasury Officer however reports that there has been a remarkable decrease in his work since the introduction of the new system and that, as a matter of fact, he has been able to close his treasury ~~several~~ an hours or two before he could do so under the former system. The Revenue Commissioner has apparently made no enquiries at the treasury and has attempted only to theorise on the subject with reference to some correspondence of 1913 ignoring the fact that the methods of work then followed in the Treasury have been entirely changed.

15 There is a remarkable difference in t time and trouble involved in paying a cheque and in paying bills which have to be noted in 3 or 4 registers in each case and when a detailed list of payments has also to be prepared in duplicate. In the case of cheques, the number and amount of the

13

the cheque are all that have to be noted and the cheque can oe passed for payment oy the Treasury Officer in a minute or two. It is hardly necessary for me again to dilate on the saving of labour involved in the treasury by the new system. It will be clear from the fact that the Treasury Officer has already placed at the disposal of the Deouty Commissioner 7 out of his 17 clerks for employment elsewhere. In any case, as the District and Huzur Treasuries will be amalgamated from the 1st of July, the Revenue Commissioner will no longer be concerned with the treasury and the Comptroller will be able to arrange for keeping the treasury open till 4 P.M.

The Revenue Commissioner next says that the work of the Comptroller's Office has increased under the new system. I do not know what acquaintance he has with the processes followed in the Comptroller's Office, and I am constrained to remark that his criticism is on the face of it, that of an amateur.

I have already explained in my note that the passing of bills with endorsements for payment at the treasury will increase the Comptroller's work and involve delay in the compilation of the accounts. It will also involve preparation of detailed lists of payments of the bills passed for payment. Both myself and the Comptroller discussed this matter very carefully and came to the conclusion that the cheque system is the best. I do not know wherefrom the Revenue Commissioner got his information that banks transacting treasury business in British India pay bills endorsed for payment by the Accountant-General

General. His information is not correct. In British India such payments are made invariably at all important centres by means of cheques. He is not also correct in saying that the distinction maintained in British India in respect of payment of sums below and above Rs. 100 does not exist here The Comptroller, as the Government are aware, is already paying all bills for less than Rs. 100 in cash. The Revenue Commissioner is not also correct in saying that an official, a part of whose claim is disallowed, would not know the nature of the disallowance and would have to enter into correspondence with the Comptroller to know it. Whenever any disallowance is made, a memo in a printed form explaining the reason of the disallowance is attached to the cheque and delivered with it.

As to whether the objection can be expressed in half a dozen words or more the Revenue Commissioner is again incorrect. The Comptroller is quite competent to take care of his work in this respect. The objections can be expressed and are being actually expressed very briefly in memos furnished with the cheques. I am standardising the objections usually taken by the Audit Office and the clerks will have invariably to express the objection in the standard form. It will not be necessary for them to take any trouble to compose their objection in proper language.

The system of preaudit has been introduced only recently and at the outset, there must be some confusion and delay. It is

15

is possible there has been some delay in some cases. But matters will right themselves very soon. The new system will involve the preparation of audit and various other registers in the Comptroller's Office in new forms. I am arranging for all these and the new system can be in good working order from the commencement of the new year. The rewriting of existing audit registers for the current year in the new forms would have involved serious extra work and have not therefore been undertaken. I am taking steps to have the registers for the next year written up in proper form. Still there has been a great improvement in May and the improvement will continue. The Comptroller gets a progress report every day of bills received for preaudit but not paid. The number of such bills which are not paid within 24 hours after receipt has already gone down to 8 or 10 and some of these relate to arrear claims which require investigation and examination of old audit registers. The delay in such cases cannot possibly be helped. If claims are presented months and sometimes years after they fell due, the Audit Office must take some time in passing them and the claimants should have patience. Gradually it will be possible for the Comptroller to issue cheques within an hour or two of presentation of the bills and if the messengers could wait for taking the cheques, they will be able to get them the same day in 70 or 80 per cent of cases, and when the treasury is located in the same building as

16

building as the Comptroller's Office, encashment of cheques will also be easy.

The real saving is however in the objections hitherto raised after ~~pre~~ post audit and the correspondence which their settlement involved in the past. The advantage of this should be looked upon as a sufficient compensation even if there is some slight delay in a few isolated cases.

To day is the last day of May and the Comptroller has arranged that there will be no bill received in his office by 1 P.M. to-day for which the cheque will not be ready for delivery this evening. To-morrow the 1st and the 3rd and 4th June are holidays and the only working ~~in~~ day in the first four days next month (June) is the 2nd. ~~ther~~ There will probably be a great rush on that day both in the Comptroller's Office and the Treasury and there will undoubtedly be some cases of delay, notwithstanding the fact that the Comptr. has arranged to debit cheques today.

K. L. Datta

31.5.17

Fin Sec)

Dear 1/6

Mr. Datta's note meets all the objections your Rev. Commr. Dist Treasuries may have to be kept open a little late on busy days but that cannot be helped. Govt have decided to adopt the post audit system & it has been given effect to and no changes are now called for.

As may put up a draft on these lines

1/6

WD 1233—GPB—60,000—1-12-16—S.

17

G. R. S. III-2]

General and Revenue Secretariat. | S.7- File No. 125 of 1916.

Serial No.

24

Draft Subd (Yeldey) 18
22/9/17
27.

M
21

61
27-17.

2nd member.
1st member
Dewan

18
2.7.17.

I think as the Resident is taking much interest in the matter it should be submitted to him. The draft letter does not seem to cover the whole ground.

4/7 14/7

134
4.7.

A copy of the Note of the points which the Resident wishes to be dealt with in the letter to the Rajah should be submitted to him

250
12.7.17

10/7 18 11/7

27 I agree
25.9.17 do

P.J.B.

NOTE—Contn. sheet.

AD 1923 GPH—65,000 1-12-16—8.

G. R. S. III-2]

General and Revenue Secretariat.

S-7 File No. 175 of 1916.

Serial No.

1

From the Comptroller
no. 11798 dt 22-6-17
Paysec
Submits his remarks on the points mentioned by the Revenue Com^r

2b Asst Secretary's order on the letter :—
Incorporate in the letter to R.C.
(Init) BS
25/6

2g
Subd with the needful done in the linked file.
RSR
26/6

30 Vide letter both d/c in linked file
Hdy).

18
21.6.17

NOTE—Contn. sheet.

WD 1233—GPB—60,000—1-12-16—S.

19

G. R. S. III-2]

General and Revenue Secretariat.

File No. 35 of 1916.

Serial No.

Appl Fri

31 Done draft enclosing extracts from Mr. Dutt's note as desired by 1st member 2nd member & Dewan.

M

26/7 1916

NOTE—Contn. sheet.

D2546

R. C. 4.

19 APR 1917

From

K. Doraswami Iyer Esq
Revenue Commissioner in Mysore.

To

The Secretary to the Government of
H. H. the Maharaja of Mysore,
Financial *Department.*

Dated 17th April 1917.

Despatched

Received

General No.

Enclosure No.

SUBJECT.

Re: the suggestion of the Comptroller to keep open the Bangalore District Treasury for transaction till 4 P.M. on the first 4 or 5 days of every month.

National Press, Bangalore —1,000—21-11—1916.

Office of the Revenue Commissioner in Mysore.
Bangalore, 17th April 1917.

No : --C 3363

From

K. Doraswami Iyer Esquire

Revenue Commissioner in Mysore.

To

The Secretary to the Government of
His Highness the Maharaja of Mysore
Financial Department.

Sir,

Referring to Government Order No.Fl.2760-1/ Cf.132-16-2 dated 6th December 1916 sanctioning a system of pre audit cheques in the case of Head quarter establishments and to Government Order No. 4633-5 dated 19th February 1917 extending it to all payments in Bangalore, I have the honor to forward herewith letter No.1064/T.A.K. 1792 dated 21st March 1917 from the Comptroller suggesting that the Bangalore District Treasury might be kept open till 4 P.M. on the first four or five days of each month, for encashment of pre-audit cheques. The Comptroller's communication is based on a complaint from the Judicial Department. The officials experience some delay in getting their salaries. What applies to the Judicial Department applies also to other Departments.

2. The necessity for closing the Bangalore District Treasury at 3 P.M. daily for receiving chellans and vouchers from the public was explained in my letter No.6980 dated the 20th February 1913 and the present practice was sanctioned in Government Order No.R.5139-40-L.R.330-12-2 dated the 10th March 1913. The number of transactions has increased now that the Bangalore Taluk Treasury has been abolished and all payments that used to be made there are being made in the District Treasury now. The transactions are heaviest during the first few days of a month and it takes longer on these days to close the books. It is therefore very necessary

to close business early in order to have sufficient time to tally the accounts and close the books. We cannot allow the books to be closed the next day. It is a matter in which no laxity can be permitted.

3. The proper remedy would therefore lie in eliminating the factors leading to delay in the Comptroller's office. The chief of them would appear to be the increase of work in the Comptroller's office in writing up cheques and the new Registers. Before the present order the audit enfacement on the bills had served our purpose equally well. The bills contained the necessary deductions under various heads and these presumably were checked and duly noted before the bills were enfaced and returned. This work still remains to the Comptroller's Office and is in no way saved by the new system of issuing cheques. There used to be some unnecessary work in the Treasury in noting down the deductions that had already been noted down by the Comptroller. This work has now been saved for the Treasury. It could have been stopped also when the Treasury was making payments on the bills duly enfaced by the Comptroller. In regard to making payments it is immaterial to the Treasury whether it is the Comptroller's cheque or audit stamp.

4. The old procedure was thus in no way more laborious than the present but in fact was simpler and more economical. When the audit enfacement on salary bills is sufficient for the banks transacting Treasury business in British India it would be difficult to concede that it is not sufficient to a Government's own Treasuries. In British India there is a distinction in respect of payments of sums below and above Rs.100/-. The conditions that obtain there and make the distinction necessary do not obtain here for the officer here corresponding to their Accountant General is not a disbursing officer.

5. In addition to the inconvenience experienced by all ranks of officials in getting their salaries on the due date there is a further inconvenience created. When any part of the claim is dis-allowed the official would not know the nature of the dis-allowance and would have to enter into correspondence with the Comptroller while under the old system the audited bill would have

furnished

3

furnished information.

In the matter of the Travelling Allowance bills especially there was some correspondence before but the cheque system will multiply it considerably. To begin with, the Comptroller's note of an objection or dis-allowance would have to be a long one when formerly it used to be comprised in half a dozen words at the most, recorded against the particular item in the bill.

6. The new system also involves more wear and tear for the menial service and inconvenience to the office from being short-handed.

7. There is no safety sacrificed in the pre-audited bill being handed back to the claimant. The claimant is a public servant and the bill can be cashed only by a Government Treasury and the amount of claim and the deductions if any would all have been regularly noted in the Comptroller's Registers. There is thus no scope for mischief or foul play. The audited bill may be mislaid but the same mis-hap can happen to the cheque also.

8. For these reasons I beg leave to submit the matter for the consideration of Government.

9. A copy of this communication has also been forwarded to the Revenue Department.

I have the honor to be,

Sir,

Your most obedient servant,

Revenue Commissioner.

4

Letter No.8064/T.A.M. 1792 dated the 21st March 1917 from the Comptroller to the Government of His Highness the Maharaja of Mysore, to the Revenue Commissioner in Mysore, Bangalore.

---:::---

I have the honor to forward herewith letter No.A.O.C. No. 964/1916-17 from the Registrar, Chief Court with its enclo - sures for consideration of the suggestion made therein. It would be convenient if the treasury is kept open for encash -- ment of preaudit cheques till 4 P.M. on the first four or five days of each month.

---:::---

'C o p y'

M G Krishnaswamy Rao

For Revenue Commissioner.

CTS.

5

G. R. S. 26]

C.7.
File No. 125-16
Serial No. 6

1615

Diary No. of letter replied to 2658

No. 76 7148
& 18 Mar/17

General and Revenue Secretariat
(C.7)
, *the* *191* .

To

(i) The Comptroller Mysore

~~(ii) Mr K.L. Datta, Special Officer~~

Date of issue 18-5-17

Sir

Signed by W Sreenivasaraghava

I am directed to forward herewith, for favor of your remarks, and ~~enquiries~~ copy of letter no C.3363 & 18.4.17 from the Revenue Com^r in Mysore reporting ~~bringing to the notice of Govt~~ the inconveniences resulting from the new system of payment by cheques.

~~Yesterday~~
~~Above~~
15/5
for Secy

over.

SUBJECT.

8/5/17

D 3181

G.F.125-16-9

It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters, below the number as given opposite, may be quoted and addressed to the Comptroller, Mysore Government.

In the communications

REP. S.

No. 11728 Pay Sec.

5 JUN 1917 FORM

OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

Dated Bangalore, the 22nd June *1917*.

~~DIWAN BAHADUR J. S. CHAKRAVARTI, Esq., M.A.,~~

M. N. Krishna Rao Esq., ~~F.R.A.S., ETC.,~~

Offg: *Comptroller to the Government of His Highness the Maharaja of Mysore.*

To Rajamantrapravina Diwan Bahadur J. S. Chakravarti, Esq., M.A., F.R.A.S., etc

Secretary to the Government of Mysore,

Finance *Department.*

SIR,

With reference to youn No. Fl·7148/G.F.125-16 dated 18th May 1917, I have the honor to offer the following remarks on the points mentioned by the Revenue Commissioner:-

1. Para 2 of the Revenue Commissioner's letter. The Revenue Commissioner has overlooked the very substantial reduction of Treasury work due to the system of "Preaudit cheques". I do not think that keeping the Treasury open for transactions an hour extra on the 1st 4 or 5 days, will interfere with the daily closing of accounts.

Para 3. The present and previous procedures are not correctly stated by the Revenue Commissioner and issue of cheques is no cause of delay. It is not right to keep audited bills out of account and issue of cheques in payment of audited bills is the only correct procedure.

Para 4. The statements made in this para are not correct.

Para 5. When any disallowance is made, particulars of it are invariably given in a memo. There is, therefore, no occasion for any inconvenience of the kind stated by the Revenue Commissioner

nor

GPB—2,000—24-[illegible]

C. O. 42–Rec.—17]

.....Department.

191 .

FROM

DIWAN BAHADUR
J. S. CHAKRAVARTI, ESQ., M.A.,
F.R.A.S., ETC.,
Comptroller to the Govt. of
H. H. the Maharaja of Mysore,

To

..... ESQ.,
Secretary to the Govt. of Mysore,
Dept.

Dated

Despatched 23-6-17

Received 11-7-17

No..... 7.

Subject matter.

Have I consider them
in the introduction of
the new system of taxation
by cheques

nor is there any need for correspondence.

Para 6. In most cases payments - cash or cheque - are made in 24 hours. The few cases in which slight delay occurs will disappear as bills come better prepared and in a condition to admit of their being passed promptly.

Para 7. Please see remarks made above against para 3 of the Revenue Commissioner's letter.

2. I do not think, therefore, that any change in the system now in force is called for.

I have the honor to be,

Sir,

Your most obedient servant,

Offg: Comptroller.

SAM.

22 6 17

8

G.R.S. 26]

SUBJECT.....

.....

.....

Fair Draft.

Diary No. of letter replied to 2658

Section S.7
File No. 125-16
Serial No. 19

General and Revenue Secretariat

(S.7)

, *the* 191 .

No. Fb 458
dy 28 June 17

Date of issue

To

The Revenue Comr
in Mysore

Signed by

Sir

With reference to your letter no. C.3363 dy 18.4.17 forwarding Comptroller's letter no. 8064 dy 21.3.1917 and TA.11792 bringing to notice the inconveniences resulting from the new system of payment of bills by pre-audit cheque (enclosure for your info. as back from Mr. Datta's note) and I am directed to state that Govt have decided to adopt the said arrangement after careful consideration

Sanctioned in Fo. Note 2760-1. of 125-16-2 dy 6.12.16

over.

and no changes are called for at present.

2. As regards your observation regarding increase of work in the Comptroller's office and other matters, I am to state that ~~full~~ provision has been made for the speedy disposal of work in their office and no delay will be allowed to occur. ~~There has been really no increase of work in the Comptroller's office.~~ While there has been a very substantial reduction of work in the Treasuries. Payments of bills of Rs 100 and below are being made in the Comptroller's office. And as a result of the location of the combined State Hospn Treasury and Bangalore District Treasury in the Public office buildings any inconvenience that might have existed before in payees not getting their amounts promptly from the Bangalore Dt Treasury will be ~~considerably~~ obviated.

Sanctioned in Fo No. 767619-65 / 97233-1638 / 20-6-17

3. Whenever disallowances are made in audit a memo in a printed form explaining the reason of such disallowance is attached to the cheque and delivered with it.

List of enclosures.

Copied by

Examined by

GPB—20,000—14-2-14

G. R. S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

and there will be no necessity for officers entering into correspondence re nature of disallowance. To facilitate work the Comptroller is standardising the objections so as not to leave to clerks the framing of the objections on each occasion.

4. I am to add that whatever may be the slight inconvenience or delay that may possibly be experienced in the initial stages of the new system, it is hoped that matters will become ~~adjusted~~ very soon.

I have &c.

Fin[l] Secretary

18/22/6/17

No 26459 & 28 July/17

Copy to Comptr forwg with reference his letter No 11798 of 22.6.17.

18/27.6.17

W D 1963—GPB—500—10-2-16

G. R. S. 31]

No. Fl 458 / 97-125-16 - III

From

Rajamantrapravina
Dewan Bahadur
J. S. CHAKRAVARTI, Esq., M.A., F.R.A.S., etc.,
Financial Secretary to the Government of
His Highness the Maharaja of Mysore,

To

K. Doraswami Iyer, Esquire,
Revenue Commissioner in Mysore.

Dated Bangalore, the 28 July/17

Sir,

With reference to your letter No. C. 3563 dated 18th April 1917 forwarding Comptroller's letter No.8064/T.A.M.1792 - dated 21st March 1917 and bringing to notice the inconveniences resulting from the new system of payment of bills by preaudit - cheques, sanctioned in Government Order No. Fl. 2760-1 / C. 97-125-16-2 dated 6th December 1916, I am directed to enclose for your information extracts from Mr. Datta's notes and to state that - Government have decided to adopt the said arrangement after careful consideration and no changes are called for at present.

2. As regards your observations regarding increase of work in the Comptroller's Office involved in the new arrangement and other matters, I am to state that arrangements have been made for the speedy disposal of all work in that Office and no undue delay will be allowed to occur. Payments of bills of Rs. 100 and below are being made in the Comptroller's Office . And as a result of the location of the combined State Huzur Treasury and -

Bangalore

Bangalore District Treasury in the Public Office buildings sanctioned in Government Order No. Fl. 7619-68/G.F.233-16-3 dated - 20th June 1917 & any inconvenience that might have existed before in payees not getting their amounts promptly from the Bangalore District Treasury will be obviated.

3. Whenever disallowances are made in audit, a Memo in a printed form explaining the reason of such disallowance is attached to the cheque and delivered with it, and there will be no necessity for officials entering into correspondence re nature of disallowance. To facilitate work the Comptroller is standardising the objections so as not to leave to clerks the framing of the audit objections on each occasion.

I have the honor to be,

Sir,

Your most obedient Servant,

for Financial Secretary to Government.

No H 4598 28 July 17
Copy to Comptroller

SVS.3.

Notes on payment by cheque

The first question is the necessity for keeping the Bangalore District Treasury open till 4 P.M. on the first few days of the month. About this matter I have spoken to the Treasury Officer, Bangalore, and he says that there will be no inconvenience in complying with the Comptroller's request.

The Revenue Commissioner says that the number of transactions at the District Treasury has increased now that the Bangalore Taluk Treasury has been abolished and all payments that used to be made there are being made in the District Treasury now. It is therefore very necessary to close business early in order to have sufficient time to tally the accounts and close the books. The Treasury Officer however reports that there has been a remarkable decrease in his work since the introduction of the new system and that, as a matter of fact, he has been able to close his treasury an hour or two before he could do so under the former system.

x x x x

There is a remarkable difference in the time and trouble involved in paying a cheque and in paying bills which have to be noted in 3 or 4 registers in each case and when a detailed list of payments has also to be prepared in duplicate. In the case of cheques, the number and amount of the cheque are all that have to be noted and the cheque can be passed for payment by the Treasury Officer in a minute or two. It is hardly necessary for me again to dilate on the saving of labour involved in the Treasury by the new system. It will be clear from the fact that the Treasury Officer has already placed at the disposal of the Deputy Commissioner 7 out of his 17 clerks for employment elsewhere. In any case, as the District and Huzur Treasuries will be amalgamated from the 1st of July, the Revenue Commissioner will no longer be

concerned with the treasury and the Comptroller will be able to arrange for keeping the treasury open till 4 P.M.

x x x

I have already explained in my note that the passing of bills with enfacements for payment at the treasury will increase the Comptroller's work and involve delay in the compilation of the accounts. It will also involve preparation of detailed lists of payments of the bills passed for payment. Both myself and the Comptroller discussed this matter very carefully and came to the conclusion that the cheque system is the best. I do not know wherefrom the Revenue Commissoner got his information that banks transacting treasury business in British India pay bills enfaced for payment by the Accountant General. His information is not correct. In British India such payments are made invariably at all important centres by means of cheques. He is not also correct in saying that the distinction maintained in British India in respect of payment of sums below and above Rs. 100 does not exist here. The Comptroller, as the Government are aware, is already paying all bills for less than Rs. 100 in cash. The Revenue Commissioner is not also correct in saying that an official a part of whose claim is disallowd, would not know the nature of the disallowance and would have to enter into correspondence with the Comptroller to know it. Whenever any disallowance is made, a memo in a printed form explaining the reason of the disallowance is attached to the cheque and delivered with it.

As to whether the objection can be expressed in half a dozen words or more the Revenue Commissoner is again incorrect. The Comptroller is quite competent to take care of his work in this respect. The objections can be expressed and are being actually expressed very briefly in memos furnished with the cheques. I am standardising the objections usually taken by the Audit

Office

Office and the clerks will have invariably to express the objection in the standard form. It will not be necessary for them to take any trouble to compose their objection in proper language.

The system of preaudit has been introduced only recently and at the outset, there must be some confusion and delay. It is possible there has been some delay in some cases. But matters will right themselves very soon. The new system will involve the preparation of audit and various other registers in the Comptroller's Office in new forms. I am arranging for all these and the new system can be in good working order from the commencement of the ~~new~~ year 1917-18. ~~The rewriting of existing~~ audit registers for the ~~current~~ year 1916-17 in the new forms would have involved serious extra work and ~~have~~ has not therefore been undertaken. I am taking steps to have the registers for the ~~next~~ year 1917-18 written up in proper form. Still there has been a great improvement in May and the improvement will continue. The Comptroller gets a progress report every day of bills received for preaudit but not paid. The number of such bills which are not paid within 24 hours after receipt has already gone down to 8 ~~to~~ or 10 and some of these relate to arrear claims which require investigation and examination of old audit registers. The delay in such cases cannot possibly be helped. If claims are presented months and some times years after they fell due, the audit Office must take some time in passing them and the claimants should have patience. Gradually it will be possible for the Comptroller to issue cheques within an hour or two of presentation of the bills and if the messengers could wait for taking the cheques, they will be able to get them the same day in 70 or 80 per cent of cases, and when the treasury is located in the same building as the Comptroller's Office, encashment of cheques will also be easy.

The real saving is however in the objections hitherto raised after post audit and the correspondence which their settlement involved in the past. The advantage of this should be looked upon

upon as a sufficient compensation even if there is some slight delay in a few isolated cases.

To day is the last day of May and the Comptroller has arranged that there will be no bill received in his Office by 1 P.M. to-day for which the cheque will not be ready for delivery this evening. To-morrow the 1st and the 3rd and 4th June are holidays and the only working day in the first four days next month(June) is the 2nd . There will probably be a great rush on that day both in the Comptroller's Office and the Treasury and there will undoubtedly be some cases of delay, notwithstanding the fact that the Comptroller has arranged to deliver cheques to-day.

Sd/- K.L.Datta

31-5-17

"Copy"

Noted 18/2877/12

For Financial Secretary to Govt.

SVS.3.